

# CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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December 19, 2017

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

#### RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary to amend Contract No. 33651 with Howroyd Wright Employment Agency, Inc., dba AppleOne Employment Services, of Long Beach, CA, for temporary staffing services, to increase the annual contract amount by \$560,000, for a revised annual amount of \$3,060,000, plus a 15 percent contingency of \$459,000, for a revised total annual contract amount not to exceed \$3,519,000. (Citywide)

#### **DISCUSSION**

On December 16, 2014, the City Council awarded a contract to Howroyd Wright Employment Agency, Inc., dba AppleOne Employment Services (AppleOne), to provide temporary staffing services, in an annual contract amount not to exceed \$2,750,000, for a period of two years, with the option to renew for three additional one-year periods.

City Council approval is requested to authorize the City Manager, or designee, to execute an amendment to Contract No. 33651 with AppleOne to increase the annual amount by \$560,000. Since the contract was established, contract usage by multiple City departments to cover critical vacancies has increased in frequency and position level. Bill rates have also increased due to passage of paid sick leave legislation known as "The Healthy Workplaces, Healthy Families Act of 2014" (AB-1522) and the annual allowable bill rate increase during the first renewal period. As such, the contract's available contingency funds have been exhausted. Additional spending authority is needed to continue temporary staffing services without interruption through the end of the current term, January 4, 2018, and to sustain temporary staffing services during the second renewal period.

This matter was reviewed by Deputy City Attorney Amy R. Webber on November 29, 2017 and by Assistant Finance Director Lea Eriksen on November 22, 2017.

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## TIMING CONSIDERATIONS

City Council action is requested on December 19, 2017, to authorize the City Manager to amend Contract No. 34311 with AppleOne to ensure uninterrupted continuation of temporary staffing services.

## **FISCAL IMPACT**

The requested action increases the annual contract authority to a revised annual contract amount not to exceed \$3,519,000, inclusive of a 15 percent contingency. Sufficient funds to support the \$769,000 in increased authority are budgeted in multiple funds and departments. The approval of this recommendation will provide continued support to our local economy by assisting in the preservation of employment for 76 Long Beach residents as temporary personnel for the City.

#### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

ATRICK H. WEST

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